

OSC Form 319

(Rev March 2002)

**Determination of Worker Status
for Purposes of Federal Employment Taxes
and Income Tax Withholding**

Name of agency for whom the worker performed services	Worker's name
Agency's address (include Street address, city, state, and ZIP code)	Worker's address (include Street address, apt no. city, state, and ZIP code)
Worker's social security number and/or employer identification number (if any)	Telephone number (include area code) ()

OSC Form 319 is based on IRS Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding. It has been modified to reflect the types of employment situations that would be found in a governmental work environment. The agency should review all contractual relationships it enters into for potential employee relationships. OSC Form 319 should be used only in situations where the distinction between employee and independent contractor is not clearly defined.

Do not complete OSC Form 319 for all service agreements, just those where the determination is difficult. If an employment relationship exists, the worker should be paid through the payroll system. If not, he/she should be paid through accounts payable.

Once this determination has been made, OSC Form 319 should be filed with other documentation relevant to this worker's contract. Keep for a period of four years from the due date of the tax return involved (Form W-2 or Form 1099).

Answer ALL items OR mark "Unknown" or "Does not apply." Attach another sheet, if necessary.

- A. This form is being completed for services performed from _____ to _____.
(beginning date) (ending date)
- B. Total number of workers who performed or are performing the same or similar services _____.
- C. How did the worker obtain the job? Application ___ Bid ___ Employment Agency ___ Other (specify).
- D. If the work is done under a written agreement between the agency and the worker, attach a copy (preferably signed by both parties). Describe the terms and conditions of the work arrangement.
- E. Attach copies of other supporting documentation such as invoices, memos, IRS closing agreements IRS audits or rulings, etc) applicable to this relationship determination. Determine if there exists any current or past litigation concerning the worker's status. Enter the amount of income earned for the year(s) in question \$_____.
- F. Describe the work performed by the worker and provide the worker's job title.
- G. Detail why you believe the worker is an employee or an independent contractor.
- H. Did the worker perform services for the agency before getting this position? Yes ___ No ___ N/A ____.
If "Yes," what were the dates of the prior service? _____.
If "Yes," explain the differences, if any, between the current and prior service.

PART I Behavioral Control

- 1 What specific training and/or instruction is the worker given by the agency?

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- 2 How does the worker receive work assignments?
- 3 Who determines the methods by which the assignments are performed?
- 4 Who is the worker required to contact if problems or complaints arise and who is responsible for their resolution?
- 5 What types of reports are required from the worker? Attach examples.
- 6 Describe the worker's daily routine (i.e., schedule, hours, etc).
- 7 At what location(s) does the worker perform services (e.g. agency's premises, own shop or office, home, or other location, etc.)?
- 8 Describe any meetings the worker is required to attend and any penalties for not attending (e.g. monthly staff meetings, etc).
- 9 Is the worker required to provide the services personally? Yes No
- 10 If substitutes or helpers are needed, who hires them?
- 11 If the worker hires the substitutes or helpers, is approval required? Yes No
If "Yes," by whom?
- 12 Who pays the substitutes or helpers?
- 13 Does the agency reimburse the worker if the worker pays substitutes or helpers? Yes No

PART II Financial Control

- 1 List the supplies, equipment, materials, and property provided by each party:
The agency
The worker

Other party
- 2 Does the worker lease equipment? Yes No
If "Yes," do the terms of the lease obligate the State of North Carolina?
- 3 What expenses are incurred by the worker in the performance of services for the agency?
- 5 Specify which, if any, expenses are reimbursed by:
The agency
Other party
- 6 Type of pay the worker receives; Salary ____ Commission ____ Hourly Wage ____ Piece Work ____.
Lump Sum ____ Other (specify)
- 7 If the worker is paid by a firm or agency, other than the one listed on this form for these services, enter name, address, and employer identification number (EIN) of the payer.
- 8 Is the worker allowed a drawing account for advances? Yes No
If "Yes," how often?
Specify any restrictions.

- 9 Does the firm carry worker's compensation insurance on the worker? Yes No
- 10 What economic loss or financial risk, if any, can the worker incur beyond the normal loss of salary (e.g., loss or damage of equipment, material, etc.)?

PART III Relationship of the Worker and Agency

- 1 List the benefits available to the worker (e.g., paid vacations, sick pay, pensions, bonuses).
- 2 Can the relationship be terminated by either party without incurring liability or penalty? Yes
No
If No, explain your answer.
- 3 Does the worker perform similar services for others? Yes No
If "Yes", is the worker required to get approval from the firm? Yes No
- 4 Describe any agreements prohibiting competition between the worker and the firm while the worker is performing services or during any later period. Attach any available documentation.
- 5 Is the worker a member of a union? Yes No
- 6 What type of advertising, if any, does the worker do (e.g., a business listing in a directory, business cards, etc.)? Provide copies, if applicable.
- 7 If the worker assembles or processes a product at home, who provides the materials and instructions or pattern?
- 8 What does the worker do with the finished product (e.g., return it to the agency, provide it to another, or sell it)?
- 9 How does the agency represent the worker to its customers (e.g., employee, partner, representative, or contractor)?
- 10 If the worker no longer performs services for the firm, how did the relationship end?

PART IV Signature

Under penalties of perjury, declare that I have examined this request, including accompanying documents, and to the best of my knowledge and belief, the facts presented are true, correct, and complete.

Signature _____ Title _____ Date _____.

(Type or print name below)